

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA**

IN RE: :
ED'S BEANS, INC., D/B/A : Bankruptcy Case No. 20-22974-CMB
CRAZY MOCHA, :
CRAZY MOCHA COFFEE, CRAZY : Chapter 11 (Subchapter V)
MOCHA COFFEE COMPANY, :
KIVA HAN, KIVA HAN COFFEE, : Related Docket No. 298
KH AND KHC, :
Debtor. : Docket No.

: Hearing Date: August 12, 2021 @ 2:30 p.m.

: Response Date: August 5, 2021

SUMMARY OF THE AMENDED PLAN AND DISTRIBUTIONS TO CREDITORS

This concise summary of the Amended Plan, consistent with *Local Rule 3016-2*, describes with particularity the treatment of each class of Creditors and the source of funding for the Amended Plan.

The Amended Plan proposes to pay the Debtor's creditors from, for example, cash flow from operations, sale of assets, infusion of capital, and loan proceeds.

The Amended Plan provides for the following classes of claims and interests for priority claims, secured claims, general unsecured claims, and equity interests:

Class #	Class Description	Impaired or Unimpaired	<u>Amended</u> Plan Section
1	Ally Financial (Auto Loan)	Unimpaired	2.2.1
2	The Bank of New York Mellon (Security Deposit)	Unimpaired	2.2.1
3	First Commonwealth Bank SBA Commercial Term Loan and Line of Credit	Impaired	2.2.1
4	American Express National Bank (Merchant Loan)	Impaired	2.2.1
5	Swift Financial, LLC (PayPal Loan)	Impaired	2.2.1
6	Small Business Administration (EIDL)	Impaired	2.2.1
7	Nissan Motor Acceptance Corp. (Auto Loan)	Impaired	2.2.1
8	<u>Employees Holding Section 507(a)(4) Priority Claims</u>	<u>Impaired</u>	<u>2.2.2</u>
89	General Unsecured Claims	Impaired	2.2.3

<u>910</u>	Equity Interest Holders	Unimpaired	2.2.4
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The Amended Plan proposes to pay administrative and priority claims in full unless otherwise agreed. The Depending on the amount of lease rejection damage claims asserted and allowed, the Debtor estimates approximately 52% to 4% will be paid on account of general unsecured claims pursuant to the Amended Plan.

The specific treatment of the classes of claims and interest are set forth in Article 2 of the Amended Plan.

Only holders of Allowed Claims in a class identified as impaired may vote on whether to accept or reject the Amended Plan. A class accepts the Amended Plan when more than one-half (1/2) in number and at least two-thirds (2/3) in dollar amount of the Allowed Claims that actually vote, vote in favor of the Amended Plan. Also, a class of Equity Interest holders accepts the Amended Plan when at least two-thirds (2/3) in amount of the allowed Equity Interest holders that actually vote, vote in favor of the Amended Plan. A class that is not impaired is deemed to accept the Amended Plan.

IF THE DEBTOR DOES NOT OBTAIN THE NECESSARY ACCEPTANCES FROM THE IMPAIRED CLASS OF CREDITORS, THE DEBTOR INTENDS TO PROCEED TO CONFIRMATION OF ITS AMENDED PLAN THROUGH THE “CRAM DOWN” PROVISIONS OF 11 U.S.C. §1191(b).

LEECH TISHMAN FUSCALDO & LAMPL, LLC

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